

**FINAL REPORT
OF THE
FSSA EVALUATION COMMITTEE**



**Indiana Legislative Services Agency
200 W. Washington St., Suite 301
Indianapolis, Indiana 46204-2789**

November 2005

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FSSA Evaluation Committee

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Legislative Services Agency Staff

**Karen Firestone, Fiscal Analyst
Sarah Brooks, Fiscal Analyst
Ann Naughton, Attorney**

November 1, 2005

A copy of this report is available on the Internet. Reports, minutes, and notices are organized by committee. This report and other documents for this Committee can be accessed from the General Assembly Homepage at <http://www.state.in.us/legislative/>.

FINAL REPORT

FSSA Evaluation Committee

I. STATUTORY AND LEGISLATIVE COUNCIL DIRECTIVES

The Indiana General Assembly established legislative evaluation and oversight of agencies and programs in IC 2-5-21. In P.L. 197 of 2003, the Indiana General Assembly directed Legislative Services Agency (LSA) staff to perform an evaluation of the organizational structure of the Office of the Secretary of Family and Social Services and established the FSSA Evaluation Committee to receive the evaluation.

The Legislative Council in Legislative Council Resolution 05-01 assigned the following additional responsibilities to the Committee:

- (1) Survey of FSSA service providers and consumers.
- (2) Evaluation of the impact of the administrative dissolution of Step Ahead Councils.

In Legislative Council Resolution 05-03, the Legislative Council continued the FSSA Evaluation Committee for the following purposes:

- (1) Continued evaluation of the Office of the Secretary of Family and Social Services.
- (2) Evaluation of the impact of FSSA's administrative and organizational changes on the provision of services and outcomes as proposed or implemented since January 1, 2005.
- (3) Provision of technical assistance in the design and drafting of any follow-up legislation that significantly reorganizes the FSSA during the 2006 session of the General Assembly.
- (4) Completion of a survey of FSSA providers and consumers as described by SCR 7-2005.

Legislative Council Resolution 05-03 also directed that the Legislative Evaluation Oversight Policy Subcommittee of the Legislative Council shall review the extent to which agencies are complying with the reporting requirements of IC 5-14-6-4 and other statutes.

II. INTRODUCTION AND REASONS FOR STUDY

In 1992, the Indiana General Assembly enacted the Office of the Secretary of Family and Social Services and several divisions and offices responsible for social services programs. The Indiana General Assembly requested evaluation of the organizational structure by LSA in 2003.

Legislation passed in the 2005 session removed responsibility for child protective services from the Division of Families and Children to a new Department of Child Services. Other changes in the divisions and organizational structure have been made through administrative actions.

III. SUMMARY OF WORK PROGRAM

The Committee met three times in 2005: August 24, October 12, and October 25. All meetings were held at the State House in Indianapolis.

IV. SUMMARY OF TESTIMONY

At the first meeting, the Committee heard testimony from Secretary Mitch Roob who described administrative and organizational changes that had been proposed or enacted. He announced the award of a contract to IBM to provide a computer-based accounting system. Mr. David Warrick and Ms. Lettie Oliver, AFSCME, discussed communication between management and employees during this period of change, disputed findings in an evaluation of FSSA completed by KMPG, and raised concerns about privatization of state hospitals. Mr. David Larson discussed privatization issues as well. Ms. Nona Leatherman provided testimony concerning the Noble County Step Ahead program. Ms. Arlene Nunez discussed concerns among FSSA employees.

At the second meeting, Ms. Karen Firestone, LSA, introduced a list of committees, councils, commissions, and boards related to FSSA and an accompanying matrix designed to look at potential overlaps of responsibility. Ms. Firestone also discussed narrowing the focus of a consumer survey that may be assigned to LSA. Mr. John Okeson, FSSA, recommended elimination of two committees, and Mr. Peter Bisbecos, FSSA, rose to support his recommendation. Mr. Okeson, discussed additional administrative changes at FSSA, including a separate division for Aging and moving First Steps from the Division of Family Resources to the Division of Disability and Rehabilitative Services. Ms. Lora Miller, Ms. Jackie Bouyea, and Mr. Lanier Vines, all of FSSA, provided supporting information. Mr. Warrick returned with Mr. Chris Fox, AFSCME, to present a white paper concerning privatization of state hospitals. Ms. Oliver introduced several state employees of FSSA who were attending the meeting. Several of those employees, who were representing AFSCME, rose to discuss communications between labor and management.

At the third meeting, two bill drafts, PD 3382 and PD 3324, were discussed and supported by the Committee. Further action on the committees related to FSSA was deferred to the 2006 interim pending LSA collecting additional comments from advocates. A review of statutorily required reports to the Legislature was presented by Mr. Philip Sachtleben, LSA, and the Committee decided to collect information about reports that could be eliminated and report to the Legislative Council. In public testimony, Ms. Lettie Oliver, AFSCME, expressed concern about FSSA's eligibility

function being privatized, and Mr. Chris Fox, AFSCME, rose to discuss a white paper concerning the privatization. Others rose to speak against privatization, as well. Secretary Mitch Roob, FSSA, discussed the closure of Fort Wayne Developmental Center, the privatization of state hospitals, and the privatization of the eligibility function. The FSSA Evaluation Committee adopted this final report.

V. COMMITTEE FINDINGS AND RECOMMENDATIONS

The Committee made the following findings of fact:

1. Legislative Council Resolution 05-03 directs the FSSA Evaluation Committee to continue evaluation of the Office of the Secretary of Family and Social Services. FSSA has changed its organizational structure by creating the Division of Aging, separate from the Division of Disability and Rehabilitative Services, and by moving First Steps from the Division of Family Resources to the Division of Disability and Rehabilitative Services. There is sufficient detail in statute of the structure of the Office of the Secretary of Family and Social Services and its divisions to suggest that these administrative changes should be codified.
2. Legislative Council Resolution 05-03 directs the FSSA Evaluation Committee to continue evaluation of the Office of the Secretary of Family and Social Services. There are at least 57 committees, councils, commissions, and boards (committees) associated with FSSA in state statute, and there are several perspectives on whether these committees are effective and needed. FSSA has proposed eliminating two of these committees.
3. SCR 7-2005 asks for a survey of FSSA consumers and service providers, and Legislative Council Resolution 05-01 and 05-03 assigns completion of this survey to the FSSA Evaluation Committee. In order for LSA to complete a survey of consumers, questions of confidentiality need to be addressed. LSA has requested that the FSSA Evaluation Committee determine a purpose and target for the survey to provide results more aligned with legislator concerns.
4. FSSA is building a new computerized accounting system to provide information about FSSA operations. Legislative Council Resolution 05-03 directs the FSSA Evaluation Committee to evaluate the impact of FSSA's administrative and organizational changes on the provision of services and outcomes as proposed or implemented since January 1, 2005.
5. There are 186 reports to the Legislature required in statute. The majority of these reports have not been received in electronic form as required by law. Some of the entities that are required to report are no longer in statute, and some of the reports may no longer be necessary to the conduct of state business.

6. The FSSA Evaluation Committee received testimony in favor of Step Ahead Councils from one person.

The Committee made the following recommendations:

1. The FSSA Evaluation Committee supports PD 3382, which creates a Division of Aging.
2. The FSSA Evaluation Committee recommends that the Legislative Council continue the FSSA Evaluation Committee to further review comments from advocates and other interested parties, and develop proposals for elimination or consolidation of additional committees during the 2006 interim.
3. The FSSA Evaluation Committee recommends that LSA undertake a survey of FSSA consumers and service providers on behalf of the Committee. The FSSA Evaluation Committee recommends PD 3324 to ensure that LSA receives confidential information from FSSA. The FSSA Evaluation Committee recommends that the target of the survey of consumers be Medicaid recipients and that the purpose be to determine if consumers feel that the services they are receiving are adequate for their needs.
4. The FSSA Evaluation Committee recommends that FSSA develop specific outcomes for administrative and organizational changes and determine the data needed to measure the outcomes. The FSSA Evaluation Committee recommends that the Legislative Council continue the FSSA Evaluation Committee in the 2006 interim to allow FSSA time to update the FSSA Evaluation Committee on the proposed outcomes and measures.
5. The FSSA Evaluation Committee supports Sen. Pat Miller sending a letter to the members of the General Assembly asking if there are reports that may be eliminated. The FSSA Evaluation Committee recommends that the results from the letter be collected, analyzed, and submitted to the Legislative Council.
6. The FSSA Evaluation Committee has no recommendation concerning Step Ahead Councils at this time.

WITNESS LIST

Peter Bisbecos, Director, Division of Disability and Rehabilitative Services, FSSA
Jackie Bouyea, Director, Division of Aging, FSSA
Donna Brown, AFSCME
John Caldwell, Indiana Home Care Task Force
Melissa Durr, Executive Director, Indiana Association of Area Agencies on Aging
Chris Fox, AFSCME
Cheryl Hagelberry, AFSCME
Tanisha Howard, 6th grader
Jim Jones, Indiana Council of Community Mental Health Centers, Inc.
David Larson, Indiana State Employees Association
Nona Leatherman, Executive Director, Noble County United Way
Lora Miller, Director, First Steps, FSSA
Arlene Nunez
John Okeson, Legislative Director, Office of General Counsel, FSSA
Lettie Oliver, Associate Director, AFSCME
Richard Rhoad, Chief Financial Officer, Office of the Secretary of Family and Social Services
Donna Ron, AFSCME
Mitch Roob, Secretary, Office of the Secretary of Family and Social Services
Donna Ross
Philip Sachtleben, Executive Director, LSA
Robin Shackelford, Indiana Health Care Association
Lanier Vines, Division of Disability and Rehabilitative Services, FSSA
Elizabeth Walker, AFSCME/FSSA
David Warrick, AFSCME